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SUMMARY

- 11. (SBU) President Hu Jintao's February 10-17 trip to Africa capped a series of recent high-level visits intended to burnish China's image in Africa, according to Chinese and African contacts in Beijing. Our contacts contend that China is doing a great deal to assist Africa. At the same time, they acknowledge that China's image in Africa has suffered from the business practices of some Chinese firms and China's limited engagement with African civil society. China's recent PR offensive in Africa suggests the government is increasingly aware of its image problem and determined to demonstrate China's interests in Africa go beyond extracting natural resources and profits. Scholarships to African students and the establishment of Confucius Institutes are two tools of "soft power" increasingly used by China to improve its image in Africa. End Summary.
- 12. (C) In recent weeks, PolOff and EconOff discussed China's engagement with Africa with a number of Chinese scholars and African diplomats and students living in Beijing, including Ministry of State Security-affiliated China Institutes of Contemporary International Relations (CICIR) Institute of Asia and Africa Studies scholars Zeng Qiang and Xu Weizhong, Chinese Academy of Social Sciences (CASS) Africa scholars Yang Lihua, Liu Naiya and He Wenping, MFA-affiliated China Institute of International Studies (CIIS) scholar Wang Hongyi, Rwandan diplomat Emile Rwagasana and African PhD students Guillaume Moumouni and Biggest Mundele. This report is based on those discussions, as well Chinese press reports on recent high-level visits.

A Flurry of High-Level Visits to Africa

13. (SBU) President Hu Jintao's February 10-17 trip to Africa was the highlight of a flurry of Chinese high-level visits to the continent in the first six weeks of 2009. In addition to Hu, who traveled to Mali, Senegal, Tanzania and Mauritius (with an earlier stop in Saudi Arabia), Minister of Commerce Chen Deming visited Kenya, Angola and Zambia January 12-19. Foreign Minister Yang Jiechi traveled to Rwanda, Uganda, South Africa and Malawi January 13-17, continuing an MFA tradition of making Africa the destination of the Foreign Minister's first overseas trip of the year. On all of these trips, Chinese leaders made a concerted effort to highlight

China's assistance to Africa. During his trip, President Hu officially opened a malaria prevention center in Mali, visited Chinese aid projects in Senegal, attended the official opening of a Chinese-constructed national sports stadium in Tanzania and visited a Chinese cultural center in Mauritius. At an MFA briefing before Hu's trip, Assistant Foreign Minister Zhai Jun stressed that "none of these four African countries is rich in energy and resources, which clearly shows that China-Africa relations are not only energy resources relations."

- 14. (SBU) Although Commerce Minister Chen visited three relatively resource-rich countries, he also sought to demonstrate that China's engagement with Africa goes beyond energy and resources. In a January 21 interview with Xinhua News Agency, Chen offered a number of statistics to highlight China's growing assistance to Africa (which will be covered in greater detail septel).
- 15. (C) CICIR scholar Zeng Qiang told us these recent high-level visits reinforced the image of China as a friend and supporter of Africa. He argued that one advantage China enjoyed over the United States was that China has a larger number of senior-level officials, including the nine members of the Chinese Communist Party's Politburo Standing Committee, who make regular visits to Africa to highlight China-Africa cooperation. As an example, he cited China's top legislator Wu Bangguo, who visited five African countries November 3-14, 2008, his fourth visit to Africa as National People's Congress Standing Committee Chairman.

China's State-Run Media Reinforces the Message BEIJING 00000527 002 OF 004

16. (SBU) China's state-run media provided prominent coverage of President Hu's Africa trip, reinforcing the government's message of Chinese assistance to Africa. A front-page story in China Daily's February 17 edition highlighted Hu's keynote speech in Tanzania, where he pledged China would continue to increase its aid to Africa despite the global financial crisis. The front-page story of the February 16 state-run Global Times hailed Hu's trip as "the first visit of a leader of one of the world's great powers to these relatively resource-poor African countries since the beginning of the global financial crisis, countries that have practically been forgotten in the West." Quoting favorable African media coverage, the article said "China will not toss aside its African allies during the global economic recession" and "considering China's large amount of technical and financial assistance provided to Africa, African countries should consider China its number one partner." During the MFA's official readout of Hu's trip February 26, African Afrairs Department West Africa Division Deputy Director Zhao Yong stressed the "traditional friendship" between China and Africa rather than the degree of partnership. In keeping with standard party lines, he emphasized the growth of "win-win cooperation" and mutual understanding amongst developing nations.

Concerns about Chinese Firms' Hurting China's Image

17. (C) Many Chinese officials and scholars offer a rosy view of China's engagement with Africa, at least in public, emphasizing the mutual benefits of China's investment, trade and aid. However, as reported ref C, a number of Chinese officials and scholars now acknowledge that China's engagement with Africa has not been entirely positive. Responding to growing criticism of China's economic engagement with Africa, the government encouraged think tanks to research and report on this image problem in the months leading up to the 2008 Summer Olympics. Reviews of African press and NGOs revealed complaints and criticisms directed at Chinese companies (mostly smaller firms new to Africa) for

exporting low-quality goods to Africa, paying African workers low wages, hiring few local workers, and polluting the local environment (ref C).

- 18. (C) Chinese scholarly research on China's image in Africa presented to the Chinese government helped galvanize senior-level attention to the practices of Chinese companies in Africa, though CASS scholar Yang Lihua told us that China's efforts to improve corporate behavior had begun in earnest in 2007, when President Hu pressed Chinese companies in Namibia to respect local laws and show greater social responsibility. Corporate social responsibility remained a prominent theme of recent high-level visits. In his February 16 speech in Tanzania, President Hu encouraged Chinese firms operating in Africa "to shoulder more social responsibility and forge friendly ties with local communities." In Mali, he stressed that a PRC-financed bridge across the Niger River would rely primarily on local labor, employing between 500 and 1000 local workers. While visiting a road project in Kenya January 14, Commerce Minister Chen said "foreign projects are related to our national image and reputation, and the contractor shall overcome difficulties with a high sense of responsibility and mission.
- 19. (C) Government-supported organizations that promote Chinese investment in Africa, such as the China-Africa Business Council (CABC) and China-Africa Development Fund (CADF), are also making efforts to promote corporate social responsibility and ensure investment projects abide by local laws and are environmentally sustainable (ref C). The Ministry of Commerce (MOFCOM) is also doing its part to promote improved Chinese business behavior in Africa. In August 2007, MOFCOM held a seminar that brought together 67 Chinese companies working in Africa. According to MOFCOM African Affairs Department official Lin Pei, Chinese companies at the seminar had signed a document in which they committed "to provide quality goods and services, provide more local employment opportunities, respect local laws, observe internationally recognized business ethics, understand and respect local religious beliefs and customs and actively participate in philanthropy in the fields of education, health and environmental protection." CASS' Yang said the proposal was a step in the right direction but lacked an enforcement mechanism. She predicted China would

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continue to face public relations problems as more and more Chinese firms go to Africa. CIIS scholar Wang Hongyi (protect) has recommended that China adopt a foreign investment law requiring Chinese companies investing abroad to respect local labor laws and protect the environment. In his view, China was the primary beneficiary of its engagement with Africa. He criticized China for repeating the mistakes of European colonizers, arguing that China's investment in Africa was not benefiting African society enough. He suggested China do more to ensure that its investments in Africa improved Africans' living conditions. However, Wang acknowledged that his views were not shared by many government officials and, as a result, had not been passed up the bureaucratic chain to senior officials.

110. (C) Another complaint reported ref C is the tendency for some Chinese firms to bring workers from China to carry out infrastructure projects, thus depriving African workers of job opportunities. CASS Senior Researcher Liu Naiya has advocated for Chinese firms to outsource some of their production to African countries where labor costs are lower than in China. Another CASS Africa scholar, He Wenping, said Chinese leaders were aware of this issue and noted that some companies were already responding. She cited the examples of the China National Petroleum Corporation, which sends large numbers of its Sudanese employees to China for training, and the China Road and Bridge Company, another big state-owned enterprise involved in a range of infrastructure projects in Africa. For their Kenya operations, 95% of their workforce is made up of Kenyans. However, He also pointed out that

hiring indigenous workers was easier for large state-owned enterprises. Smaller Chinese companies new to Africa that base their business models on low-cost bids and fast completion times do not have the time, expertise, or resources to train local staff, relying instead on Chinese technical workers to complete projects quickly and efficiently.

Limited Engagement with Civil Society

111. (C) While China generally enjoys strong relations with African governments, some Chinese scholars point to China's limited engagement with civil society as a weakness in its foreign policy. CICIR scholar Xu Weizhong noted that China had succeeded in establishing close ties with high-level government officials in Africa but had been much less successful in developing ties with African NGOs and civil society organizations (CSOs). He said that he had suggested to Chinese officials more contact with NGOs and CSOs as a way to improve China's image among ordinary Africans. Xu said some Chinese officials realized the need for China to reach out to ordinary Africans, citing the Chinese ambassador's participation in the China-Africa Dialogue on Civil Society held in Kenya in 2008. Nevertheless, Xu acknowledged that most Chinese officials gave little thought to supporting African civil society and few Chinese companies in Africa were involved in philanthropic activities. CASS' He Wenping, who participated in the 2008 Dialogue, had a somewhat more optimistic view. She noted that the Dialogue participants had publicly called for stand-alone regular civil society dialogue, and that with the passage of time there would be a trend for this civil society dialogue to feed in to China-Africa government-to-government relations. She was certain there would be no civil society engagement in the China-Africa ministerial meeting scheduled for November 2009 in Cairo, but considered it possible that the subsequent ministerial in 2012 might include civil society representatives.

Scholarships and Confucius Institutes: Soft Power Tools

112. (C) One of the tools of China's "soft power" is scholarships to African students to study in China. By the end of 2008, more than 20,000 African students had studied in China on Chinese government scholarships. Guillaume Moumouni and Biggest Mundele (protect) are two of the approximately 1200 African students annually who have received full scholarships from the Chinese government to study in China. Both are PhD students at Peking University, one of China's most prestigious universities. Moumouni, a student from Benin who is writing his PhD dissertation on China's policy of "non-interference" in Africa, told PolOff that competition for the scholarships was intense. Of the hundreds of applicants in Benin, only 23 had been selected. Mundele, a

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student from the Democratic Republic of Congo (DRC) pursuing a PhD in economics, said more than 100 DRC students a year received full scholarships to study in China. The scholarships not only covered tuition, airfare, and room and board but also included a modest monthly living allowance of approximately USD300. The students lived in a dormitory with other graduate students and said they enjoyed good relations with their classmates, both Chinese and foreign. After completing their studies, they planned to return to their home countries to teach at a university, although both acknowledged that their Chinese language skills and experience in China could help them land relatively well-paying and prestigious positions in government or business.

113. (C) Not surprisingly, both students have relatively positive views of China's engagement with Africa. Moumouni argued that China appealed to African countries as a fellow

developing country that had not colonized Africa, in contrast to Western countries whose legacy of colonial rule in Africa continued to color African views of the West. He said African consumers generally had a positive view of China because they now enjoyed low-cost consumer goods that previously had not been available or had been too expensive. The two students acknowledged that some African manufacturers saw China as a competitive threat that could put them out of business, and workers were critical of China for paying low wages, violating labor laws and bringing in Chinese workers rather than hiring locals. However, both defended China's investment in Africa as critical for the continent's development. "If China does not invest in DRC's natural resources, then who will?" asked Mundele, who said the DRC's natural resources would be wasted without Chinese investment. Moumouni said Chinese government scholarships to African students had not only improved China's image in Africa but had also created a cadre of well-educated, Chinese-speaking Africans who have returned to their home countries with positive views of China and a familiarity with Chinese culture and practices.

114. (C) Another tool of China's soft power is government-funded Chinese language and cultural institutions known as Confucius Institutes. Beijing-based Rwandan diplomat Emile Rwagasana told PolOff that China planned to open a Confucius Institute at the Kigali Institute of Education in September 2009 (ref B). In his view, China's active promotion of its language and culture was an effective way to market itself and improve its image in Africa.

Comment

115. (C) China counts on decades of close political ties with African governments and its surge in aid, trade, and investment ties with the continent to secure its economic interests in access to African natural resources and markets and its political interests in a large bloc of countries that will support China in international fora. That said, Beijing understands that the inevitable frictions resulting from a more intense economic relationship mean it can no longer take for granted a positive reputation in Africa. Beijing will be even more sensitive to its image in the run-up to the triennial China-Africa ministerial meeting planned for this fall in Egypt. As noted ref C, this image consciousness could provide increased motivation for China to pursue greater cooperation with African regional organizations, NGOs, and other donor nations)- including the United States)- in promoting transparency, good governance, sustainable development, and long-term stability in Africa. PICCUTA